

Senate File 225 - Introduced

SENATE FILE 225

BY RAGAN and J. SMITH

A BILL FOR

1 An Act relating to the acquisition of title of abandoned
2 property in the unincorporated area of a county.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 448.13, Code 2021, is amended to read as
2 follows:

3 **448.13 Cancellation of tax sale and certificate of purchase**
4 **— refund of purchase money.**

5 If the county treasurer receives a verified statement from
6 a ~~city~~ municipality, as defined in section 657A.10B, stating
7 that a parcel sold at tax sale contains a building which is
8 abandoned, as those terms are defined in [section 657A.1](#), prior
9 to redemption of the parcel under [chapter 447](#) or the issuance
10 of a tax deed for the parcel, and the verified statement is
11 accompanied by a petition filed by the ~~city~~ municipality under
12 section 657A.10B for title to the parcel, the county treasurer
13 shall make an entry in the county system canceling the sale of
14 the parcel and shall refund the purchase money to the tax sale
15 certificate holder.

16 Sec. 2. Section 657A.10B, Code 2021, is amended to read as
17 follows:

18 **657A.10B Petition by ~~city~~ municipality for title to abandoned**
19 **property.**

20 1. For purposes of this section, "municipality" means a city
21 or, in the case of an abandoned building located outside the
22 limits of a city, a county.

23 ~~1.~~ 2. a. In lieu of the procedures in sections 657A.1A
24 through 657A.10 and [657A.10A](#), a ~~city~~ municipality in which a
25 building that has been abandoned for at least six consecutive
26 months is located may petition the court to enter judgment
27 awarding title to the abandoned property to the ~~city~~
28 municipality. A petition filed under [this section](#) shall
29 include the legal description of the abandoned property. If
30 more than one abandoned building is located on a parcel of real
31 estate, the ~~city~~ municipality may combine the actions into one
32 petition. The owner of the building and grounds, mortgagees of
33 record, lienholders of record, or other known persons who hold
34 an interest in the property shall be named as respondents on
35 the petition.

1 *b.* The petition shall be filed in the district court of the
2 county in which the property is located. Service on the owner
3 and any other named respondents shall be by personal service or
4 certified mail or, if service cannot be made by either method,
5 by posting the notice in a conspicuous place on the building
6 and by publication in a newspaper of general circulation in the
7 ~~city~~ municipality. The action shall be in equity.

8 ~~2.~~ 3. Not sooner than sixty days after the filing of the
9 petition, the ~~city~~ municipality may request a hearing on the
10 petition.

11 ~~3.~~ 4. In determining whether a property has been abandoned,
12 the court shall consider the following for each building that
13 is located on the property and named in the petition and the
14 building grounds:

15 *a.* Whether any property taxes or special assessments on the
16 property were delinquent at the time the petition was filed.

17 *b.* Whether any utilities are currently being provided to
18 the property.

19 *c.* Whether the building is unoccupied by the owner or
20 lessees or licensees of the owner.

21 *d.* Whether the building meets the ~~city's~~ municipality's
22 housing code as being fit for human habitation, occupancy, or
23 use.

24 *e.* Whether the building meets the ~~city's~~ municipality's
25 building code as being fit for occupancy or use.

26 *f.* Whether the building is exposed to the elements such that
27 deterioration of the building is occurring.

28 *g.* Whether the building is boarded up or otherwise secured
29 from unauthorized entry.

30 *h.* Past efforts to rehabilitate the building and grounds.

31 *i.* Whether those claiming an interest in the property have,
32 prior to the filing of the petition, demonstrated a good-faith
33 effort to restore the property to productive use.

34 *j.* The presence of vermin, accumulation of debris, and uncut
35 vegetation.

1 ~~k.~~ The effort expended by the petitioning ~~city~~ municipality
2 to maintain the building and grounds.

3 ~~l.~~ Past and current compliance with orders of the local
4 housing or building code official.

5 ~~m.~~ Any other evidence the court deems relevant.

6 ~~4.~~ 5. In lieu of the considerations in subsection ~~3~~, 4, if
7 the ~~city~~ municipality can establish to the court's satisfaction
8 that all parties with an interest in the property have received
9 proper notice and either consented to the entry of an order
10 awarding title to the property to the ~~city~~ municipality or did
11 not make a good-faith effort to comply with the order of the
12 local housing or building code official within sixty days after
13 the filing of the petition, the court shall enter judgment
14 against the respondents granting the ~~city~~ municipality title to
15 the property.

16 ~~5.~~ 6. If the court determines that the property has been
17 abandoned or that subsection 4 5 applies, the court shall enter
18 judgment and order awarding title to the ~~city~~ municipality.
19 The title awarded to the ~~city~~ municipality shall be free
20 and clear of any claims, liens, or encumbrances held by the
21 respondents.

22 ~~6.~~ 7. If a ~~city~~ municipality files a petition under
23 subsection ~~1~~ 2, naming the holder of a tax sale certificate
24 of purchase for the property as a respondent, the ~~city~~
25 municipality shall also file the petition, along with a
26 verified statement declaring that the property identified in
27 the petition contains an abandoned building, with the county
28 treasurer. Upon receiving the petition and verified statement,
29 the county treasurer shall make an entry in the county system
30 canceling the sale of the property and shall refund the
31 purchase money to the tax sale certificate holder.

32 8. This section does not apply to a house, barn,
33 outbuilding, or structure located on agricultural land outside
34 the limits of a city. For purposes of this subsection,
35 "agricultural land" means land suitable for use in farming. For

1 purposes of this subsection, "farming" means the cultivation of
2 land for the production of agricultural crops, the production
3 of fruit or other horticultural crops, grazing, or the
4 production of livestock.

5

EXPLANATION

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The inclusion of this explanation does not constitute agreement with

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the explanation's substance by the members of the general assembly.

8 This bill relates to the acquisition of title of abandoned
9 property in the unincorporated area of a county. Current law
10 provides a process for a city to petition a district court to
11 enter judgment awarding title to abandoned property in the city
12 to the city when the property has been abandoned for at least
13 six months. The bill authorizes a county to follow the same
14 process for property located outside of the limits of a city.
15 The bill does not apply to a house, barn, outbuilding, or
16 structure located on agricultural land outside the limits of a
17 city. The bill defines the terms "municipality", "agricultural
18 land", and "farming". The bill makes conforming changes
19 relating to the cancellation of a tax sale certificate for an
20 abandoned property for which a municipality has acquired title.